



Property Assessed Clean Energy (PACE) Overview

PACE Wisconsin Update



Partnership





WI PACE Commission Status



Member Counties

- | | |
|---------------|--------------|
| ○ Ashland | ○ Marathon |
| ○ Bayfield | ○ Outagamie |
| ○ Brown | ○ Ozaukee |
| ○ Chippewa | ○ Portage |
| ○ Dane | ○ Racine |
| ○ Door | ○ Rusk |
| ○ Douglas | ○ Sauk |
| ○ Dunn | ○ Shawano |
| ○ Eau Claire | ○ Sheboygan |
| ○ Fond du Lac | ○ St. Croix |
| ○ Iowa | ○ Washington |
| ○ Jefferson | ○ Waukesha |
| ○ Kenosha | ○ Waupaca |
| ○ La Crosse | ○ Winnebago |
| ○ Manitowoc | ○ Wood |





PACE Lenders – Open Market



PACE Financing Advisors



C-PACE Market Data

C-PACE OVERVIEW

\$588

Millions

1445

Commercial projects

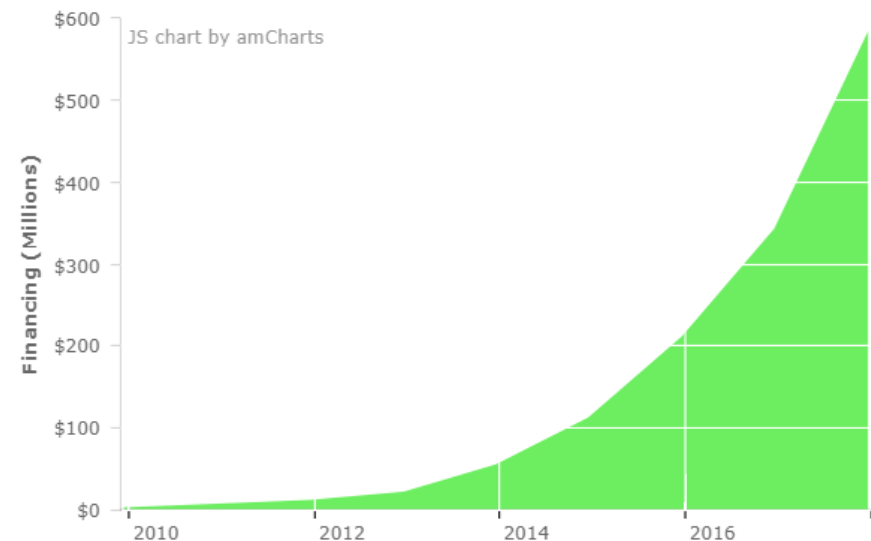
8,826

Jobs created

(Source: 15 jobs per million, EcoNorthwest)

Cumulative C-PACE Financing

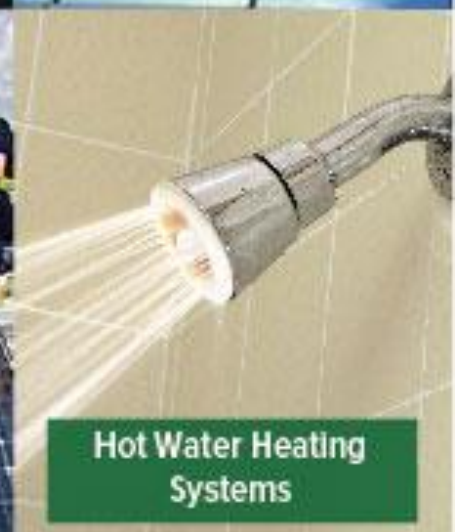
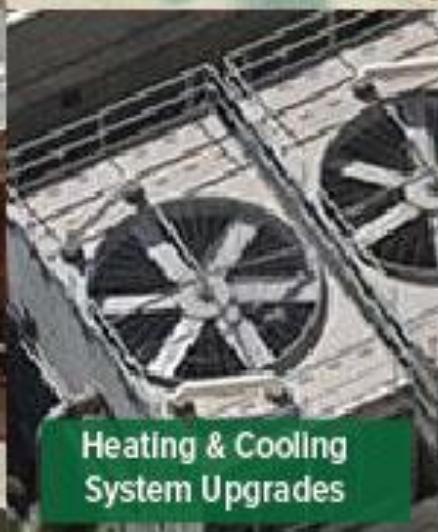
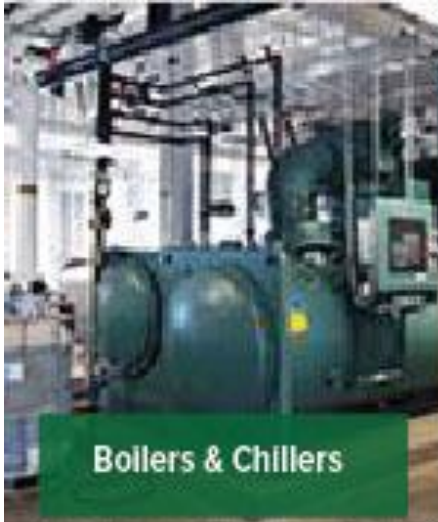
2010-2017



Eligible PACE Projects



Eligible Improvements



Hotel Indigo



Location: 901 E. Washington Avenue, Madison

PACE Financing: \$1,500,000

Estimated Annual Savings: \$89,832

Improvements: HVAC, Building Shell, Lighting

Hotel Retlaw



Location: 1 N. Main Street, Fond du Lac

PACE Financing: \$2,373,798

Estimated Annual Savings: \$289,011

Improvements: HVAC, Lighting, Windows

Uniroyal



Location: 501 S. Water Street, Stoughton

PACE Financing: \$355,000

Estimated Annual Savings: \$70,698

Improvements: Roof, Lighting

Waterloo Technology Center



Location: 575 W. Madison Street, Waterloo

PACE Financing: \$249,000

Estimated Annual Savings: \$47,294

Improvements: HVAC, Lighting

Solar Case Study



CASE STUDY: OFFICE BUILDING

PROPERTY SUMMARY

One of seven properties composing Darien Connecticut's Thorndal Circle Office Park, 6 Thorndal is a 37,00 sq ft office building that is home to a medical imaging center, data warehouse and a variety of professional services tenants. Notably, Greenwork Lending's headquarters office is just across the parking lot with building ownership in common.

OPPORTUNITY

Planning and installation of a 129kW rooftop solar photovoltaic array and new commercial roof to compliment LED and HVAC efficiencies.



BUSINESS TYPE	BUILDING TYPE	PROJECT TYPE	LOAN SIZE	C-PACE TERM
MULTI TENANT	OFFICE	SOLAR AND ROOF REPLACEMENT	\$400,000	20 YEARS

YEAR ONE SAVINGS

\$146,438

includes estimated tax savings and applicable grant funding

SAVINGS OVER PROJECT LIFE

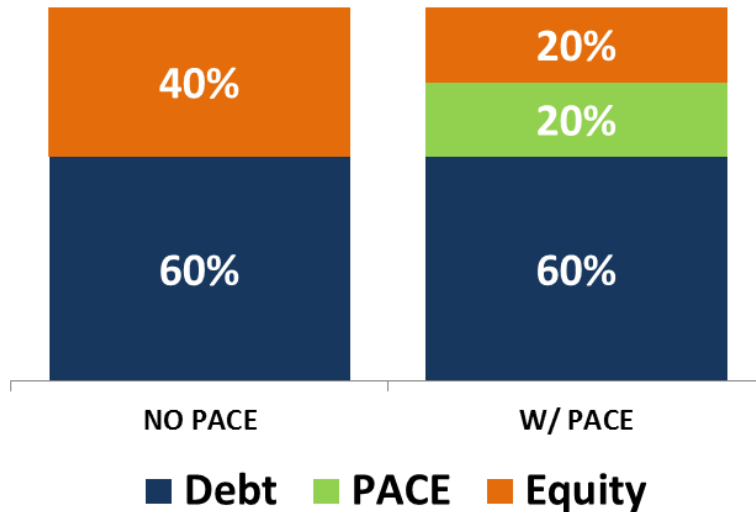
\$1,084,850



Why PACE?

100% Financing

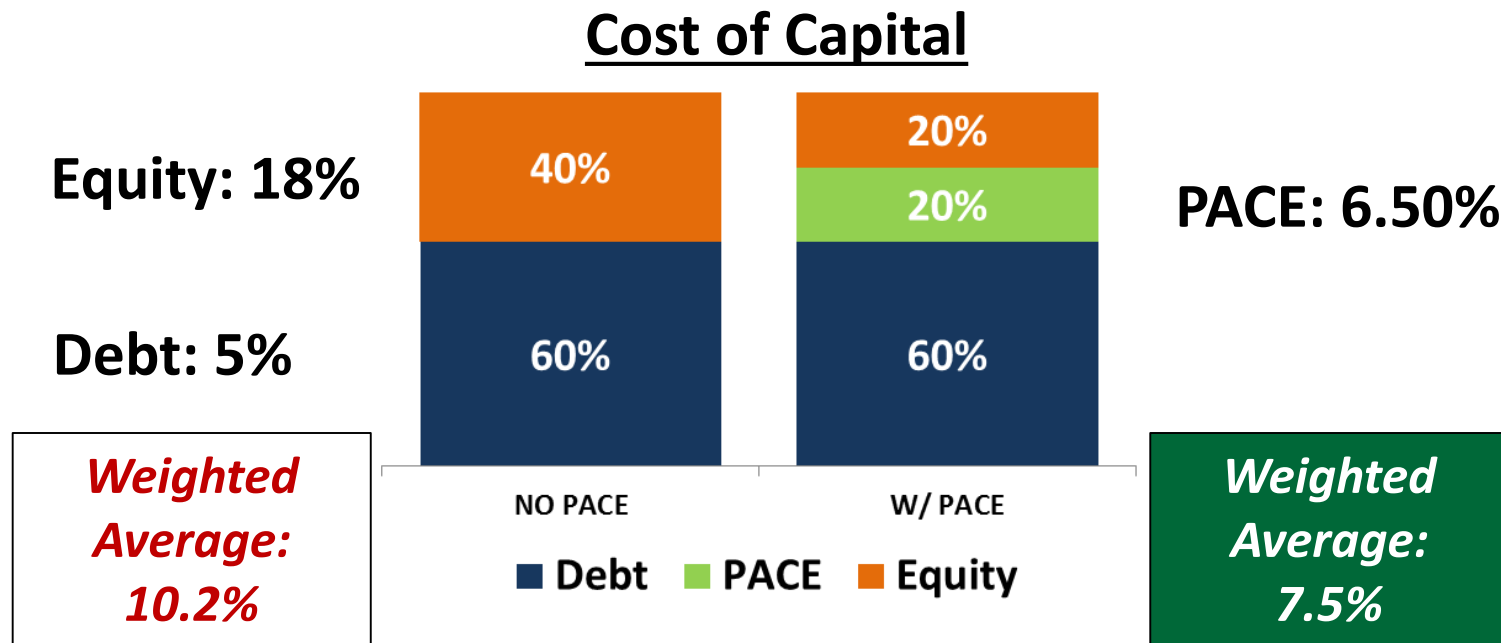
Loan To Value



- PACE covers up to 100% of hard and soft costs of clean energy improvement
- No money down
- Property owners can reallocate funds previously reserved for energy projects

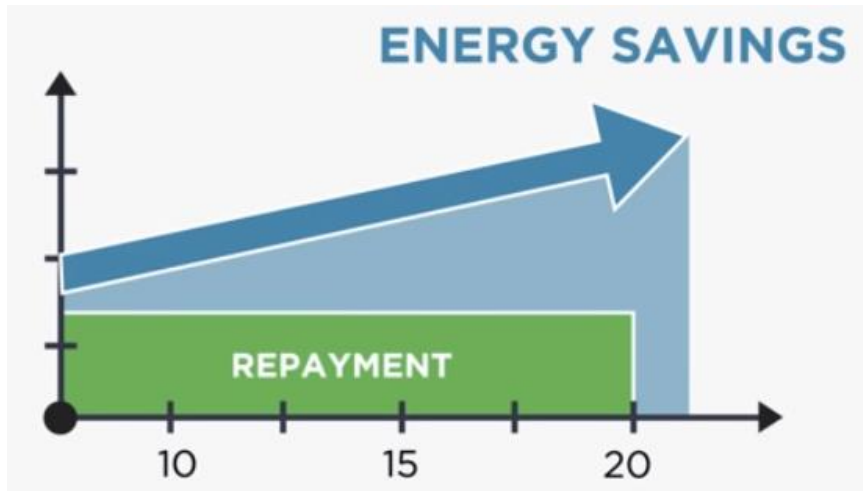
- Lower Cost of Capital: replace equity or mezzanine financing with low cost **non-recourse financing**

Lower Cost of Capital



Replace equity or mezzanine financing with low cost non-recourse financing.

Cash Flow Positive



- Long loan terms up to 20 years (up to 30 years for solar).
 - FULLY AMORTIZED.
 - This makes it possible for the annual utility bill savings to be greater than the PACE loan repayment.
- Example: During the repayment term, the utility bills decrease by \$20K annually, PACE repayment is \$15K annually: Results in a \$5K increase in NOI. This **boosts cash flow and property value.**

Transferability



- PACE is attached to a building, not an individual or business.
- If the building is sold, the remaining PACE financing repayment transfers to the new owner, as well as the savings from the energy project.
- Removes part of the risk in investing in capital expenditures.

Leasing Structures



- PACE tax assessments can be passed on to tenants under most lease forms.
- Tenants save on energy costs and experience the same net payments, thereby reducing their occupancy cost (rent).



PACE Wisconsin - www.PACEWI.ORG

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PROPERTY OWNERS



LOCAL GOVERNMENT

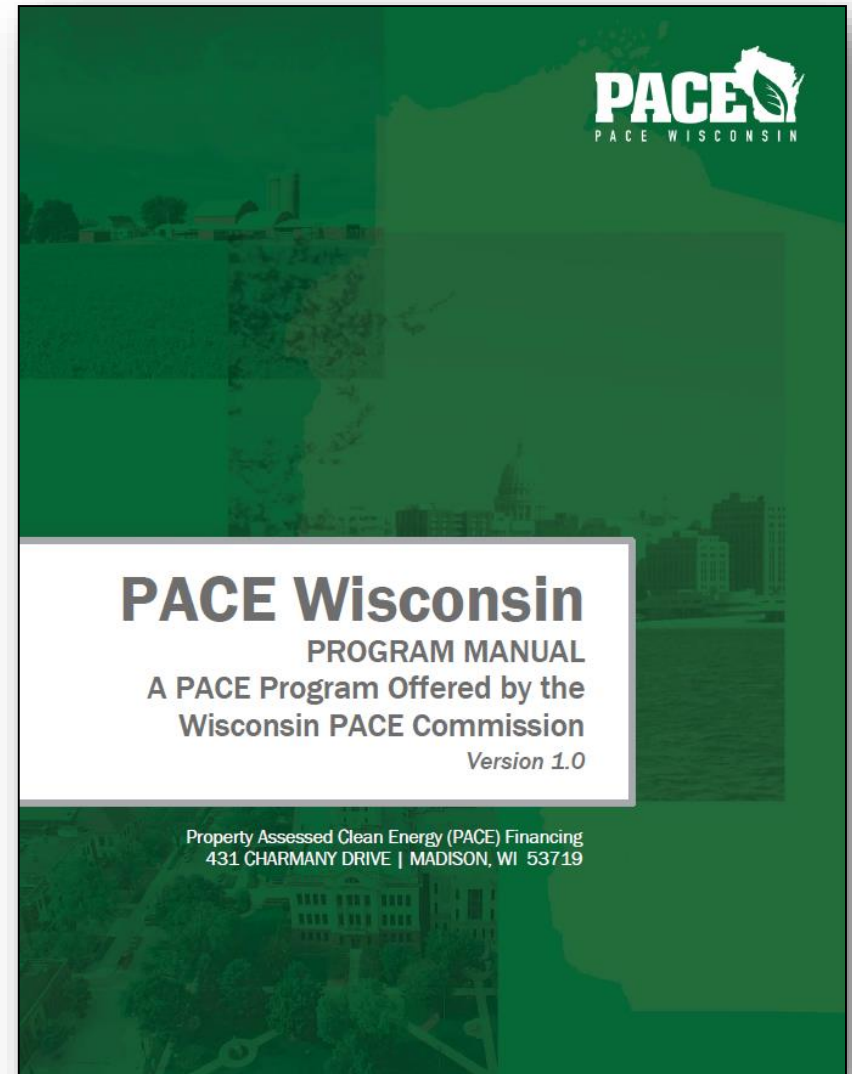


LENDERS



CONTRACTORS

- Comprehensive Program Guidelines
- www.pacewi.org/project-center.html





For More Information

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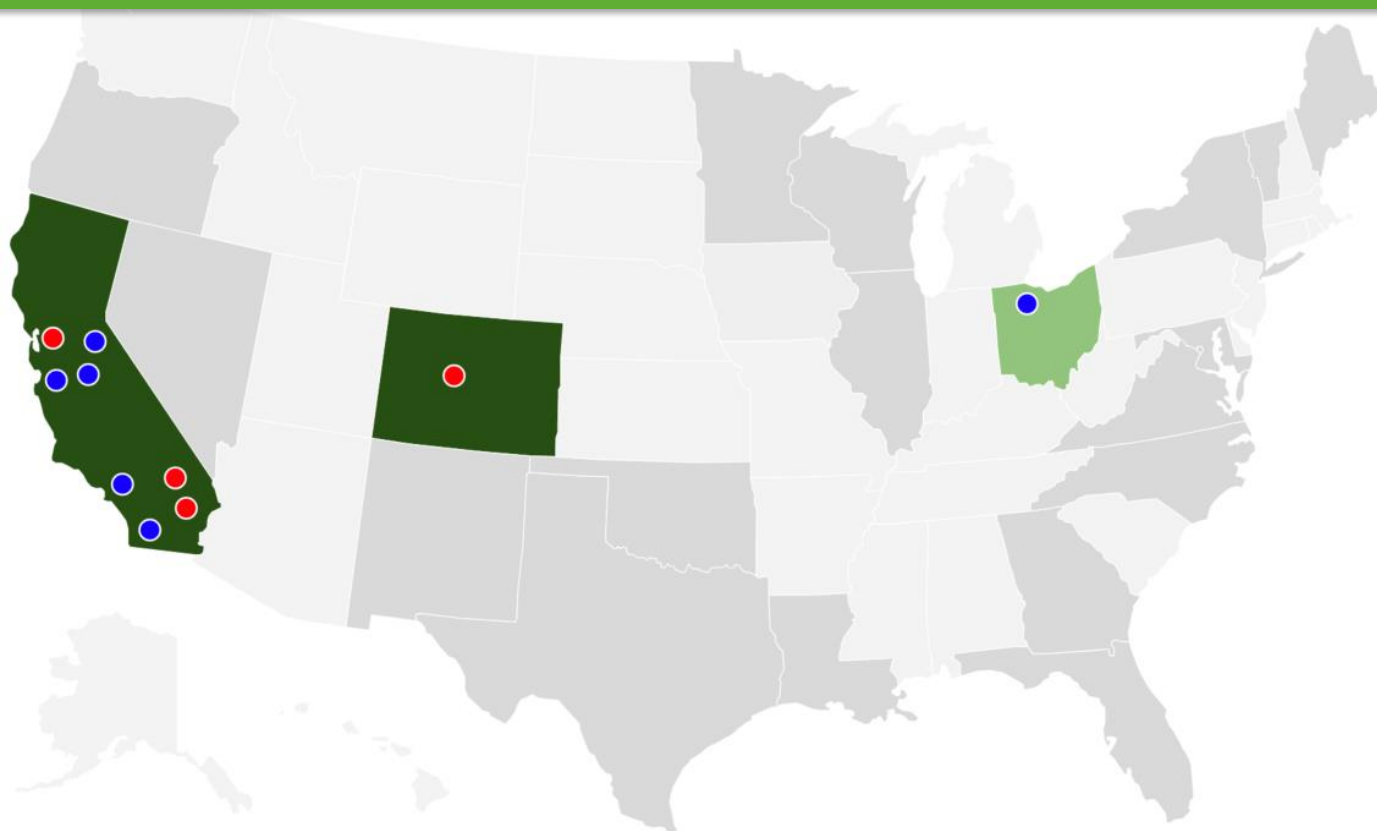
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PACE Nationwide – June 2010

27 Projects completed - \$5.0 M

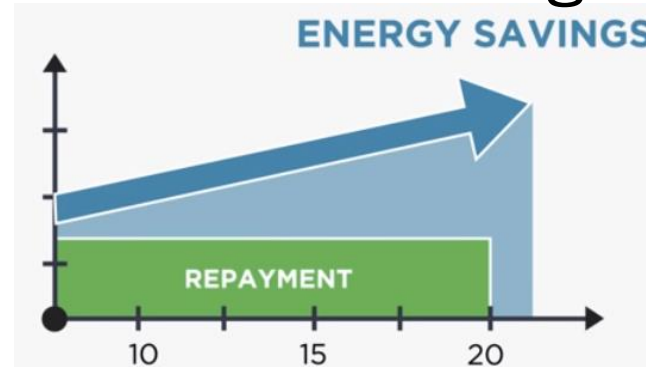


- PACE enabled
- Early stage PACE program development
- Launched PACE programs
- PACE programs with funded projects



Assists local businesses with financing

- Renewable energy
- Energy efficiency
- Water conservation



Loan payments covered by utility bill savings.



Enabled by State of Wisconsin Legislation
(Section 66.0627)



Financing is secured by a special charge



Projects